

Finance Committee Regular Meeting
Minutes of the April 11, 2017

Dodge County Finance Committee Chairman, Dave Frohling called the Finance Committee meeting to order at 8:00 a.m. on Tuesday, April 11, 2017 in Room H & I – Auditorium of the Administration Building. Chairman Frohling took roll and the following were present: Frohling, Schaefer, Fink and Guckenberger. Benter was excused.

Also present: County Board Chairman Russ Kottke, County Supervisors Harold Johnson, William Muche, Jeffrey Caine and Ed Nelson, Mielke, Kolp, Hilker, Monica Hooper, Kim Nass, Brian Field, Scott Smith, Lifke and Watertown Daily Times reporter Ed Zagorski.

Julie Kolp, Finance Director certified the public notice given for this meeting complies with the requirements of Wisconsin's open meetings law.

Motion by Schaefer and 2nd by Fink to allow the chair to deviate from the agenda at his discretion. Motion carried with unanimous approval.

Motion by Fink and 2nd by Guckenberger to approve March 14, 2017 regular committee meeting minutes as presented. Motion carried with unanimous approval.

Resolution to Purchase Mower – Highway Committee. The Fiscal Note set forth in Resolution to Purchase Mower was presented to the Finance Committee for its review and approval. The Fiscal Note sets forth a Fiscal Impact in the amount of \$10,945 surplus. Brian Field, Highway Commissioner provided updated costs from those provided to committee members in their packets. Final costs were:

Ballweg Implement Co. Inc.	\$121,650.00	(Tiger)
Mid-State Equipment	\$104,055.32	(Diamond)
Serve Implement LLC	\$126,300.00	(Tiger)
Riesterer and Schnell, Inc.	\$104,950.00	(Diamond)
Riesterer and Schnell, Inc.	\$123,900.00	(Tiger)

Field recommend Mid-State Equipment for \$104,055.32. Motion by Guckenberger and 2nd by Schaefer to approve the Fiscal Note as presented and authorize and direct the Finance Committee's Chairman to sign the Fiscal Note and send Resolution to Purchase Mower to the County Clerk. Motion carried with unanimous approval.

Jim Mielke, County Administrator initiated discussion on the proposed Sales Tax Policy. Mielke invited feedback from committee members on the draft policy. Mielke requested finalization of the policy prior to 2018 budget planning. Comments on the policy included:

- Definitions in statement # 3 should tie to the policy.
- Information needed and its availability for Sales Tax Forecasting in reference to statement # 5. Guckenberger questioned if 9 months of remittance would be available at time of budget to forecast for the upcoming year. It was suggested statement # 5 should be removed from the policy. Frohling suggested changing # 5 to budgeting excess in arrears (Sales Tax Fund Balance) opposed to budgeting the upcoming year's anticipated revenues. Guckenberger suggested using a rolling average for budgeting. Mielke requested clarity for budget.
- A Fund Balance Policy for the Unassigned Sales Tax Fund Balance was suggested. Julie Kolp, Finance Director commented that the Sales Tax Fund Balance is categorized as an Unassigned Fund Balance.

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- Use undesignated opposed to excess sales tax and change County Buildings and Grounds to Infrastructures.
- Priorities of budgeting Sales Tax was questioned by Guckenberger. Kim Nass, Corporation Counsel Director commented that statement # 6 lists the priorities in order of importance except for letter d. According to Frohling, even though this is priority for budgeting, County Board has ultimate authority.
- Supervisor Cain stated he thought it was important for the committee to approve this policy to establish priority to the public.
- Are maintenance agreements part of the policy for future resolutions.
- Nass will be updating the draft policy with the committee's input and will be relabeling definitions so they tie into the rest of the policy.

Monica Hooper, Human Services and Health's Financial Services Director presented Human Services and Health's 2015 Audit Material Weakness. Hooper addressed a letter resulting from 2015's audit material weakness. Hooper will provide information to address the letter with input from Kolp for best practices. Hooper will be addressing grant reporting and modify the process so data is recorded correctly. Human Services and Health (HSH) will also be completing training required from the US Department of Justice. A response to the letter is due 30 days from the date of issuance. The letter was dated March 27, 2017. The response letter will be a joint effort between Hooper and Kolp. Kolp will be consulting with Johnson ^ Block before final submittal.

Hooper reported TCM January and February billing and collections are current. March billings and collections are anticipated to be created and recorded in NetSmart which went live March 1st. TCM was run in parallel for verification purposes. According to Hooper, HSH started comparing the TCM and NetSmart billings to determine correctness prior to sending out NetSmart bills. Some problems were identified which are being worked on prior to NetSmart staff coming on site. NetSmart staff is expected on site May 1 – May 3, 2017 to help with the month end process.

Scott Smith, Chief Deputy Sheriff appeared to present a request to expend Jail Improvement Funds for radios for the Sheriff's Office. According to Smith, funds were budgeted. Motion by Guckenberger and 2nd by Schaefer to purchase Motorola Radio Equipment for \$12,973 from Business Unit (BU) 1326 – Jail Improvement and process vouchers when received. Motion carried with unanimous approval.

Smith proceeded with the Sheriff's request for an Intra-Department Fund transfer of \$46,350 from BU 2061 – Jail Boarding Fed. Inmates to BU 2056 – Radio Communication Wages – Permanent – Regular. According the Smith after first quarter, Jail Boarding of Fed. Inmates was \$202,500 over budget and will be used to fund a newly created Administrative Support Coordinator position. Smith stated this has been a long-needed position and is crucial as staff gets closer to retirement. Funding is for 2017's budget year. Motion by Schaefer and 2nd by Fink to approve fund transfer. Motion carried with unanimous approval.

The County Treasurer provided committee members copies of February 2017's Statement of Cash. Investments purchased from tax settlements. Common for February. March 2017's County Investment holdings for review. Investments aren't all current due to timing of mailed statements.

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Dana and Ehler's are current. Hilker requested Dana appear at May's meeting if there is room on the agenda and Ehler's to appear in June.

The monthly county state sales tax remittance report was reviewed. March 2017's remittance for January was \$497,670 compared to \$414,299 from the same period in 2016. The fiscal year remittance to date is \$1,613,285 compared to \$1,367,294 the same period of time in 2016.

Kolp presented a preliminary closing document. It is part of 2016's first closing and figures aren't final. The Finance Department is currently working on year-end adjustments and accrual entries. Kolp stated the document primarily represents the General Fund. The first set of columns is actual revenues and expenditures with net prior to any budget addition. The next set of columns references the application of budgeted funds. The final column represents what will go back to General Fund or to Fund Balances. Kolp noted the Treasurer's information is very complex so not truly representative without additional detail.

Additional information provided by Kolp included:

- Human Services and Health information includes levy amounts so their return is viewed slightly different.
- Due to carryover and non-lapsing funds, Sheriff's Office return/carrying over is less than \$2.7 million.

Committee member requested carryovers information be listed separately, especially with Sheriff's Office.

Kolp presented Emergency Management request for grant appropriation of \$6,077.70 to BU 2824 – Exercise and Training to purchase equipment to be used at Rescue Task Force (RTF) training sessions.

Land Resources and Parks presented a request for an Intra-Department Fund transfer of \$12,685 from BU 811 – Land Information wages, services, and supplies to BU 1101 – Survey – Other Capital Equipment for a Leica GS16 antenna.

Motion by Schaefer and 2nd by Guckenberger to approve the Emergency Management and Land Resources and Parks appropriation/transfer requests. Motion carried with unanimous approval.

Vouchers \$10,000 or more was reviewed.

Kolp presented an update on the Enterprise Resource Planning (ERP) project. The publication and project status report were discussed. Kolp provided information on the new Munis Business Rules process being incorporated with the new ERP. According to Kolp, Munis will be the main county software and in order for departments to request new software, departments must complete a Munis Business Rules request form. The software will be compared to Munis, evaluated for worthiness and signed off prior to purchasing any other software.

Other ERP activities touched on by Kolp included:

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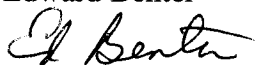
- The team met last month with Tyler and Kronos to determine how interfaces will work between these systems in order for Highway to use work orders.
- The Government Finance Officer Association (GFOA) continues to work on the contracts. GFOA is working with Tyler on some milestones and performance compliance conditions that haven't been addressed.
- The ERP team started working on policies and procedures which will establish rules used for the ERP setup. Kolp requested direction from the committee regarding approval authority for these policies and procedures. Finance, Executive or joint Finance and Executive Committee authority were suggested since policies are financial in nature and affects all areas of the county. It was proposed that an assigned policy review committee be designated by County Board at May's County Board meeting opposed to taking all policies to the full County Board.
- On Tuesday, April 18, 2017, the ERP team will be presenting a draft Procurement Policy to department heads. Department heads will be given the policy in advance to review for discussion on Tuesday. This will be a major change from current operations.
- Creation of a purchasing agent position as part of the procurement policy. Policy direction is dependent on how purchasing will be handled. The Steering Committee suggested it would be best to create a new purchasing agent position whose responsibility would exceed the current purchasing agent position. The new system will be using a procurement process so the position will be involved with ensuring proper policy and procedure adherence and provide consistency with procurement processes.

Supervisor Guckenberger requested a copy of the procurement policy be mailed to him.

With no other business on the agenda, Chairman Frohling declared the meeting adjourned at 10:12 a.m.

May 9, 2017 at 8:00 a.m. in Room H & I – Auditorium on the 1st floor of the Dodge County Administration Building.

Edward Benter



Secretary